

INTERNATIONALIST PERSPECTIVE



A ROTTEN SUMMER

CLASS STRUGGLE IN ASIA
WITH RECOVERIES LIKE THIS ONE, WHO NEEDS A
RECESSION?
ON REIFICATION
ARTIFICIAL SCARCITY: AN ESCAPE THAT ISN'T

\$2.50, £2, 2 Euro

No. 54
Fall 2010

Contents

Editorial: What a Rotten Summer	1
Class Struggle: Exacerbation of the Historic Perspective	5
With Recoveries like this one, who needs Recessions?	8
Artificial Scarcity in a World of Overproduction: An Escape that isn't	10
The Value Form, Reification and the Consciousness of the Collective Worker	14
<i>Insurgent Notes: A New Pro-Revolutionary Publication</i>	24

Subscriptions

Internationalist Perspective is published in English and French. Subscriptions are for four issues:

English Edition: \$8.00 /£5.00 (regular mail) / \$10.00 /£8.00 (air mail)

French Edition: 7 euro (regular mail) / 10 euro (air mail)

Send cheques or postal orders made out to CASH. Requests for the French edition should be directed to Belgium, and English editions to the US address. NB: US subscribers sent all requests to US address

Public Meetings

Internationalist Perspective holds public meetings as part of its work of stimulating a real debate and discussion around vital questions confronting revolutionaries and the working class. For information on the next meeting, contact IP at one of the addresses below

Correspondence

We invite all readers to send comments on the positions in our publication. The development of a proletarian political milieu on the international level depends on the widest possible discussion and confrontation of ideas.

Contact addresses

Write only as shown below:

Destryker	AM	IP
BP 22	PO Box 40231	PO Box 47643
1310 La Hulpe	S.I., New York, 10304	Don Mills, ON, M3C 3S7
Belgium	USA	Canada

Email: ip@internationalist-perspective.org / Web: <http://internationalist-perspective.org>

Editor: F. Destryker. 12b Ave du Beau Site La Hulpe Depot Bruxelles X

Editorial: What a Rotten Summer!



Haiti, Romania, Poland, Pakistan, the USA, France, China, Mexico...and the list goes on: The catastrophes multiply.

Extreme drought here, extreme wetness there; earthquakes, landslides, tidal waves, millions have their feet knee deep in water and mud or are confronted, as in Greece, in California, last year by raging wild fires, and now the inhabitants of Moscow have for months lived with the noxious smoke of wild fires. And the inhabitants of Ajka, of Kolontar, in Hungary, are now inundated by a

disaster caused by industrial pollution. Millions see their crops scorched, their animals either drown or die of thirst. Millions are hungry. Millions fall sick.

But above all, millions live in fear: fear of cataclysms of which they are the victims, but also fear of the violence of armed bands engaged in pillage, rape, and massacre. And that fear is an expression of the anguish in the face of a future in which there is no perspective that anything will be any better.

Ineluctable catastrophes?

One question is posed with respect to this degradation of life: why?

To explain this situation, some say that it is fate, that it is ineluctable. The persistence of human catastrophes is presented as inevitable, being linked to climate change.

But this explanation seems a bit simplistic. Beyond the question of whether the extreme weather of this summer is due to climate changes, another element must be added: is it due to how we produce and consume (a question which is now almost universally answered in the affirmative). The degradation of conditions of life on planet Earth is patently clear: overpopulation, uncontrolled urbanization, deforestation, loss of arable land, industrial pollutants. In that respect, even Al Gore's film and other media spectacles, are indicative.

The causes of this degradation are clear: an implacable logic that impels capitalism to lay the bases for its own ecological suicide. What is clear is that the ineluctability of catastrophe has a name: capitalism. Both hunger and over-consumption are the products of capitalism.

Internationalist Perspective did not wait for this summer's catastrophes to make that point. In *Internationalist Perspective* 36, apropos of the catastrophes that assailed Turkey, we said: "Thousands were killed in turkey, and hundreds of thousands made homeless, not by an earthquake but by profit. The purpose of building houses in this society is not to shelter people. It is to make profit. If this can be done by providing people with a sturdy home, fine. If not, the cheapest materials are used to knock together houses that are doomed to crumble when the earth moves in turkey or Taiwan, when a hurricane hits Florida, or when rivers overflow in Mexico or China." ("Profit Kills," p.1)

Capitalism is based upon the implacable logic of the quest for profit. To assure its success, it transforms everything, nature included, into a source of valorization. It takes hold of nature, minerals, plants, animals, as well as humans. Reification proceeds apace. The resultant de-humanization reveals the true character of capitalism. Mac Intosh's article in

this issue of *IP* is an illustration. The over-exploitation of natural resources cannot be compensated for by the verbiage of "respect for the environment" by industrial societies. Indeed, this ideology justifies the situation, consolidating reification.

What has the capitalist class done?

The reaction of political leaders

What is clear is that whether in China, in Pakistan, in the US, or in Europe, the facts are the same: the political institutions of the bourgeoisie took no measures to ensure the security of millions of people. What was emphasized was "development," valorizing value. Buildings were constructed any which way, enriching the speculators. Minimal safety measures were neglected, because not immediately profitable and requiring investments that would affect the profits of the "developer".

In reaction, the bourgeoisie tries to plug up the holes, so to speak. As an answer to the catastrophes, the bourgeoisie punishes some politicians, but above all offers moralizing talk and speeches about the need to make sacrifices, to reduce consumption, to spend less, to help the neediest, to produce differently. Capital has even been able to transform this newly found preoccupation with the environment into opportunities to increase profits. As an alternative to the dependence on fossil fuels, especially oil, green alternatives are proposed: ethanol from corn or sugar cane is pushed as fuel for cars, and not as food.

More and more industries, electronics, construction, chemicals, profit from the virtuous circle of "sustainable development;" investments are made in installations consuming less energy and raw materials, which reduce the costs of production, and not just pollution. New markets are thus opened.

Meanwhile the capitalist class and its states "punish" some leaders and executives, by offering them huge bonuses to resign, as with the heads of BP, responsible for the ecological disaster in the Gulf of Mexico. But at no time are the real causes of the "catastrophes" even discussed.

The reaction of the ecologists

The ecologists ask us to be “green”, to put on our seat belts, to save the planet.

The credo of the ecologists is basically an individualist one.

It participates completely in the post-modernist discourse that insists on the “irresponsible responsibility” of humans.

It participates in a moralizing and guilt-stricken discourse linking it to a return to an obscurantist mode of thinking incapable of determining objective causes.

It participates in puritanical movements like the prohibition against smoking, and articulating a philosophy of crisis that theorizes the absence of perspectives, liquidating any possibility of a return to critical thought.

It rejects any collective subject in favor of punctual agglomerations around the defense of human rights and of nature: Amnesty International, the League for the Rights of Man, feminism.

It revels in an “anti-totalitarian” ideology, but turns to a quest for new modes of religiosity, and by turning to the consumption of the latest cultural “products:” eco-tourism, the myth of a return to nature.

It shares in the offensive of scientificity, where the knowledge of ecological specialists replaces political judgments, and ends up not with a globalizing explanation, but rather a theorization of chaos, the renewal of fragmentary explanations, and atomization.

What is to be done?

It’s not just a matter of calling for the reconciliation of man and nature, of integration into a stable eco-system.

It is not just a matter of replacing industrial technologies and methods of production, with renewable energy, the bases for which already exist (solar, geothermic, biomass, etc.), or by pointing to the bad will of capitalists, in the hope that anything

will change.

One cannot demand that capitalists halt their pillage of natural resources in order to preserve a future. The global competition for the appropriation of value is the very basis of the present system. The League of Nations, and then the United Nations, were founded to assure peace, and the twentieth century was the most devastating and lethal in history!

One must not fall into the trap of Malthusianism and see “salvation” in birth control.

It’s not a matter of changing the behavior of individuals or of limiting individual needs in the hope that anything will change.

It is clear that there is only one solution: the destruction of the socio-economic system that creates the harm, produces the cataclysms. The necessity for social revolution is the only response. But paradoxically, that necessity, which seems so clear to anyone who investigates the issues, is not a given. Humans can accept the most horrendous conditions, adapt to a world of penury.

The need to envisage another social order

While “natural” catastrophes will only increase, it is more and more irrational to cling to a social order based on accumulation, on the defense of value, on money, in which the satisfaction of human needs is just a means to valorization.

Why must we accept the necessity for profit, the need to defend “our” competitive position? Why must money preside over all interactions and social relations? We have reached the point where all the mechanisms upon which our society is based, money, profit, markets, States, have -- as the bankruptcy of Greece amply demonstrates -- been put in question because they literally clash with the will to survive, with the creation of a more human world.

We need to learn to think autonomously, to stop paying our mental debt to capital. We need to question the law of value, which is a way of “seeing” reality so profoundly rooted in us, that it seems natural, and that we accept its effects as natural catastrophes.

What is possible?

The capitalist system cannot prevent crises. It then must adopt measures in order to survive: the lay-off of workers, the closure of enterprises, the cutting of wages, wars. All that clearly exemplifies the real nature of capitalism. Ford now pays its new workers 14 dollars per hour, less than half what was the norm just a couple of years ago. In the US, real unemployment is now 18.5 %, and continues to rise, despite the valorization of value. In Europe, we await the American “recovery.” The economy is “growing” again, while the crisis worsens.

Struggles break out and affect the emerging countries, as Rose’s article in this issue shows. Development occurs on the bases of exacerbated exploitation, where repression is omnipresent, and the political authorities refuse the least measures to provide minimal security. Everything is linked. A new course is possible, one linked to solidarity: solidarity in struggle – not philanthropic

undertakings -- to overturn the logic of profit.

What is posed, though in a still contradictory manner, reveals a dialectic that can potentially overcome the contradictions. Compelled to sell their labor power, workers placed in a situation of subordination, put in competition with each other, could turn their weakness into strength: by refusing to work, they would generate the possibility of developing new social relations. IP has always rejected mechanistic determinism in favor of a human centered vision of social relations. Humankind and its environment cannot be reduced to a submission to reification. The very development of struggles and the assumption of responsibility by workers for the autonomy of their organizations open new perspectives by breaking the stranglehold of reification, by creating true bonds of solidarity, by repositioning humankind as the true determinant of its own destiny.

FD

- Don’t forget, in addition to the print edition of *Internationalist Perspective*, we also publish an on-line edition. The IP web site is available in English and French, and contains all the articles from the print edition, as well as articles and discussions which do not appear in the regular edition of *IP*. We also publish a blog.
- To visit our web site, go to <http://internationalist-perspective.org>
- To visit our blog go to <http://internationalist-perspectvie.org/blog>
- We do not see either of these sites as solely “our” property, but instead as places where discussions and exchanges of ideas can be held. We encourage readers to read, write and get involved.

Class Struggle: Exacerbation of the Historic Perspective

Class struggle continues to occur almost everywhere in the world, thus reflecting the increasing frontal attacks of the capitalist class on the living and working conditions of the proletariat. All the movements which have erupted lately in Greece, but also in Spain, France or Germany, as well as the Pan-European demonstration organized in September against austerity in Brussels, are a reaction against the progressive dismantling of the social security systems, austerity measures, and the loss of jobs. These direct attacks are the consequence of the unprecedented deepening of the world economic crisis that violently burst upon us in 2008. From the beginning of this new phase of crisis in 2007, it is estimated that on a global scale around 35 million jobs have been lost.

We will focus here more specifically on those proletarian reactions which have occurred during the summer of 2010 in Asian countries, primarily China, Pakistan, Bangladesh and Cambodia. These movements were marked by demands for massive pay increases as well as by violent confrontations with the police and security apparatus.

All these class movements express the fundamental antagonism between the interests of the proletariat and the interests of the capitalist class, exemplifying general tendencies existing within capitalism. Indeed, this mode of production must unceasingly try to generate more and more surplus value and ever more profit. And in this frantic search for profit, the capitalist system reduces to the maximum all its costs of production that relate to constant or variable capital. Moreover, the economic system is undermined more and more by its internal contradictions. The “sub-prime” crisis of 2008 only revealed the depth and the extent of the world-wide crisis and the fragility of the system, as well as the processes invented to assure the continuation of accumulation.

In a general way, the capitalist mode of production has always tried to reduce to the maximum the expenses linked to the “maintenance” of its workers. In this globalized economy, companies use cheap labor from poor countries when this production does not require very advanced technology and highly skilled labor. The pressure that the capitalist class exerts on these workers is especially great. This relates to wages, of course, but also affects working conditions and life in a more total way. Thus, the access to education, health care, decent housing, as well as livable working conditions, is very often partially or completely eliminated for workers in poor countries. Some of the movements which unfolded in Asia and Africa show it: among the claims, we find demands for pay rises of 100%, of 300%, access to clean drinking water and to medical care, etc. But every economic sector has been the scene of class reactions, and China, in particular, has seen massive strikes in its cutting edge factories, such as car manufacturing.

Even if there is no automatic connection between crisis and class struggle, the global degradation of living and working conditions entail the potential for struggles to erupt. Not only the grim reality of capitalist exploitation but also the general and world character of this exploitation, assails the working class. Whatever the political regime, more statist or more liberal in its economic policies, the mode of production imposes its relentless law and pursues its only goal: to unceasingly produce ever-more value. Confronted by the steamroller of austerity measures, the downward pressures on wages, the unprecedented degradation of proletarian living conditions, one can envisage that workers will react through class movements.

But now let’s briefly examine some examples of such social movements.

At the beginning of July, in Pakistan, 10,000

workers from the ship demolition sites demonstrated and went out on strike. Working conditions are particularly horrible and dangerous at these sites, the day's work lasts between 12 and 14 hours, and the average wage is 3 dollars per day. It is no secret that these ships contain toxic, even deadly materials, such as asbestos, which cannot be used in the countries where there exists even a pretence of legislation, and that they will be handled with bare hands by these workers from the poor countries.

In Bangladesh, after months of demonstrations, 50.000 workers from about fifty factories of the Ashulia textile sector, in the suburbs of Dacca, went strike. One of the principal demands was a request for minimum wage increases of 300%. The conflict is still ongoing, the authorities having proposed an increase of 80%, accepted by some trade unions and refused by others.

In Cambodia, in the suburbs of Phnom Penh, at the end of July, 3000 workers in the textile sector violently clashed with the police after having stopped work. These factories produce for famous brands such as "Gap" or "H & M". The daily wages for these workers is under \$2 per day. They are protesting against both low wages and harsh working conditions.

In India, in Hanjigarh, in the Eastern State of Orissa, worker's riots mobilized thousands of workers from the refining sector. During these riots, they ransacked the offices of the refinery of the British giant Vedanta. There too work conditions were the issue.

In Mozambique, there was looting, demonstrations, and riots which spilled into the streets of the suburbs of the capital, Maputo, involving thousands of people. They protested against the abrupt increase in the price of cooking oil, corn, bread, water and electricity.

For many years China has frequently been prey to violent protest movements. In particular, these movements have mobilized workers coming from the countryside, pushed by hunger to migrate to the big cities, and obtaining work often only under conditions that are extremely precarious. In addition to large numbers of strikes, there are frequent acts of suicide by desperate workers.

China is experiencing a significant economic development based primarily on the intensive exploitation of its workers. Foreign investors were attracted towards this economy in full growth, on the one hand, thanks to the current stability of the political system and the Chinese economy, but also because China represents an enormous potential market. Economic development has had major repercussions, creating a class of nouveaux riches - and thus of consumers. But the workers have also put pressure on the capitalist class to wrest increases in wages. The many strikes that have erupted in China have demanded an improvement of working conditions in connection with economic development, whereas the majority of the strikes in European countries were more reactions to the degradation of living and working conditions.

These movements of the Chinese proletariat have often been repressed with a great violence. If this violence is only the reflection of the war between the two antagonistic classes, the capitalist class and the proletariat, the Chinese ruling class is threatened by three particular phenomena: a continuing and ever stronger competition from countries with cheaper labor like Bangladesh or Vietnam, the threat of hyper-inflation and, above all, the development of autonomous movements of the proletariat. Indeed, as in every country where the trade unions are too openly entangled in power, the proletariat tends to organize its reactions outside of the unions. The Chinese workers thus developed a capacity to launch class movements in an autonomous way.

Beside the brutal repression of the police, the Chinese ruling class is forced to contain future social explosions by temporarily reducing the pressure on the proletariat, even as it attempts to reinforce its ideological control. Thus, already in 2008, the country had put into effect new labor regulations, more favorable to the workers. We can be sure that it is not out of benevolence, out of concern for the well being of its population, that the Chinese authorities made such a "sacrifice". In the same way, the local authorities of Sichuan province, in the southwest of China, increased the minimum monthly wage by 44.4% as of August 1, 2010.

After the revival of exports at the end of 2009, the industrial provinces were confronted with a shortage

of manpower. Indeed, following economic development of the interior provinces of the country, workers who usually came from afar to the coastal factories found work closer to home. On the job market, the balance between labor supply and demand thus suddenly appeared more favorable to unskilled workers. All at once, the factories and the local governments of the south and east of China were constrained, to attract workers, to give a better deal to their work force. In addition, as of 2015 the active population of China will actually start to decrease and in particular, that will affect the number of 15-24 year olds who currently constitute the bulk of the workers employed in the factories producing for export.

But all this has a perverse effect and demonstrates, in a general way, what contradictions threaten the ruling class. The quest for profits implies increasing productivity and, among other things, reducing to the maximum the reproduction costs of the labor force. The extremely low wages of Chinese workers have made them an attractive labor force for both Chinese investors, and American and European companies. But nothing is more dangerous than social conflicts that interrupt the plans of capital and destabilize production. And, faced with that, the ruling class has been forced to grant pay increases, improvements in living and working conditions, which then, in turn, make Chinese labor less attractive to capital.



Honda workers confronting factory goons

Here, then, is one of contradictions that the ruling class faces; one of contradictions that the structural crisis of the capitalist mode of production further exacerbates.

Conclusion

The social conflicts to which we have pointed, as well as the overall situation of Chinese capital, are only reflections of the current situation. But they prefigure the contradictions that the ruling class very probably will face for years to come: a deepening of the crisis and its manifestations, a direct and catastrophic impact on the living and working conditions of the proletariat, massive exclusions of workers from the production sector, the constitution of masses of unemployed completely without resources, without hope, a multiplication of the social reactions vis-a-vis these degradations on all fronts, and a destabilization of the production sector for the ruling class...

The only bulwark that the global capitalist class has to canalize class movements is its left factions and its trade union organizations. As we have seen in the “emerging” countries, the ruling class supports the formation and spread of unions. Similarly, as the demonstrations against austerity in Brussels, in September, showed, the trade unions sought to contain the feelings of rage and bitterness on the part of European workers by scrupulously blocking any attempts to act outside of the legally sanctioned modes of protest. Seeking to negotiate or to confine protest within the legal framework, and blocking any real expression of class antagonism, is the primary role of the left and the unions.

Nonetheless, the present situation is rich in potential because the tensions between the ruling class and the proletariat are likely to increase in tandem with the misery and violence that the crisis brings. There are those who have proclaimed that class war had become an obsolete concept; the present situation demonstrates that it has never been so acute!

Rose

With Recoveries Like this One, Who Needs Recessions?

The recession is over, yet the crisis continues to deepen. That the world economy is growing, albeit at a weak pace, should not come as a surprise, given the trillions spent by various governments on stimulus-measures. Many of those however are running out, so the impact of increased public spending is wearing off. But instead of taking new stimulus-measures, governments all over the world are doing the opposite: 'Austerity!' is becoming the universal battle-cry of the capitalist class. And the worse a country has been hit by the present crisis, the harsher the cuts in public spending that are imposed or planned. The left claims that this is the opposite of what is needed, and so it seems at first sight: all this austerity can only undercut demand further and will thus worsen the crisis, pave the way for a new recession. That is true but it's also true that a government that would not take such measures and let its spending continue to swell would pay a high price in the future, in the form of a flight of capital, inflation and high interest rates, that would make it impossible to finance its deficits and that would choke the private sector. So, with few exceptions, they have little choice. The impact of the stimulus-packages has been less than hoped. Capitalists don't want their own states to 'throw good money after bad' while they all wish somebody else would prop up global demand.

Profit-rates are up, and so are stocks in many countries, but unemployment continues to rise, wages continue to fall, and pensions and other benefits continue to be cut. For the working class, there is no recovery. 'Recovery' for them means only that those who still have a job now must work harder. But profits have recovered, much more than the modest resumption of growth would suggest. They are less the result of expanding sales than of cutting wage costs. This further erodes the demand of the working class and thus worsens the global overcapacity. It also raises the question: if the recovery of profits demanded so much

unemployment, so much more misery this time, what will the capitalist class demand from the working class in the next recession?

For a 'supply side' economist, or his Marxist counterpart, the dogmatic 'fall-of the-tendential-profit-rate -is-the-only-contradiction', there can't be a problem with a profit-rate rising as robustly as it has lately.

If the necessary profit is there, it will be productively invested in their opinion. But it isn't: the growth of profits is not creating a rise in productive investment. Capital-owners are wary, afraid that what appears an investment opportunity today, will reveal itself to be a bubble tomorrow. So they hang on to their money. Build up liquidity. The banks are back on their feet (with the help of hundreds of billions of taxpayer's money) and are flush with cash but they hardly lend it out. Rarely have they been so tightfisted. Money is cheap these days but only for those who already have plenty of it.

Austerity is not only a government policy. It's also a corporate policy, a banking policy, even a consumer policy. Everybody is saving more and spending less, afraid of what might come in the future. This means that the demand for money rises faster than the demand for all other commodities. As a general commodity, money makes possible the circulation of the other commodities, stepping in their place in countless transactions. But as a particular commodity, money withdraws from the circulation process; it is obtained for itself, for its (seeming) capacity to store value. As a particular commodity, it competes with other commodities. The more the demand for 'money for itself' grows, the more it undercuts general demand. It's a self-reinforcing process called deflation. That will be the buzz-word in the next phase of the crisis.

The demand for money (in the broad sense:

including stocks, bonds, gold, etc) rises because it's the only commodity that doesn't have to be sold to keep its value. All the others must be sold more or less immediately and if the demand isn't high enough for them to be sold at their value, they must be sold under their value. And the demand can't become high enough when a growing part of the purchasing power is withdrawn for the purpose of hoarding abstract value. Thus, prices tend to fall. This has been an underlying trend in the world economy for some time, but now it's bursting to the fore.



A Recovery for some

As a surface phenomenon deflation can be easily checked by pumping more money into circulation. That is what happened in past decades and it accelerated in the first reaction of the capitalist state to the crisis that erupted in 2007. It is still going on to some extent. Money is still being created at a fast pace, especially in the US. The Obama government isn't imposing a tough austerity policy yet. That might change after the coming Congressional elections. The predicted Republican victory would give Obama the political excuse to get into the same cutting mode as his European counterparts.

Suppressing deflation on the surface doesn't help because the surface, the price levels, is not the real problem. The real problem lies underneath: the growing difficulty to expand production in a way which expands value, causing a flight of value from production to hoarding. Pumping more money means devalorizing money, which doesn't solve the problem of devalorizing commodities but creates an

additional one. Inflation makes money lose its capacity to store value, while the demand for it increases. So capital flees to whatever provides the illusion of being resistant to this global downward trend.

So countries and companies compete with wage-cuts and budget-cuts as a destination for hoarding. They must, or are punished by a flight of capital. Others compete in a different way: by manipulating the exchange-rate of their currencies to keep their commodities artificially cheap on their export markets. This deflates prices already before the commodities reach the market, at the expense of the workers who made them. The recent acceleration of this trend recalls the competitive devaluations of the 1930's. It reeks of desperation.

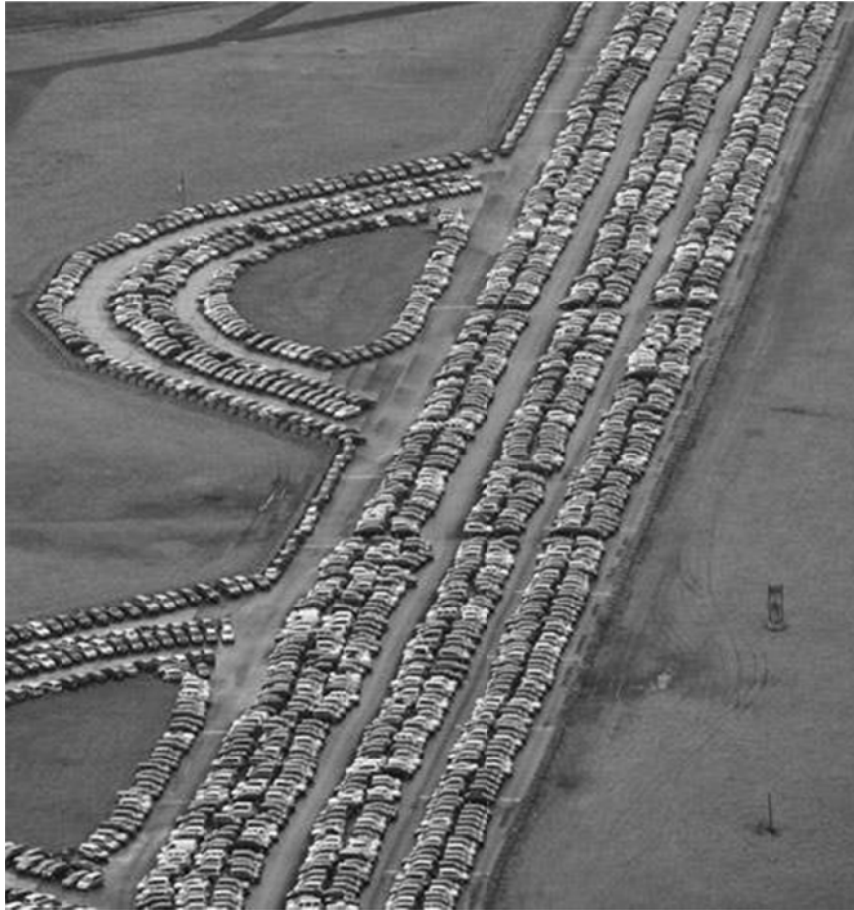
But what else can a capitalist do in times like these? With the perspective of deflation in front of him, his logical reaction is to cut costs even more, to protect his bottom-line. Deflation doesn't have to be a disaster for capital, if it's the workers, the environment, society at large that pays the price. But what capital cannot prevent is that the contradiction between its interests and those of humanity becomes ever more glaring. What it also can't prevent is class conflict. The resistance of the working class expresses mankind's will to live, against the seemingly autonomous monster that the accumulation of capital has become.

Naturally, capitalists seek a way out of this spiral. If overcapacity is what caused this mess, why not restore conditions of scarcity? The following article, which originally appeared in *Mute Magazine*,¹ explains why this helps capitalists but makes matters worse for capitalism.

Sander

¹ [http:// www.metamute.org/content/artificial-scarcity-in-a-world-of-overproduction-and-esCAPE-that-isn-t](http://www.metamute.org/content/artificial-scarcity-in-a-world-of-overproduction-and-esCAPE-that-isn-t)

Artificial Scarcity in a World of Overproduction: An Escape that Isn't



Unsold cars

Whether today's global overcapacity is seen as cause or effect of the economic crisis, one thing is certain: it isn't easy to make a profit in a world awash in overproduction. Capitalism is born in conditions of scarcity and is unable to function outside of them. So it seems logical that the crisis creates a tendency to restore these conditions artificially. But how does this affect the chances of the global economy to find a way out of its present predicament?

Most analyses of how the present crisis arose focus on the mechanics of the formation of bubbles. Debates are raging about what measures need to be taken to prevent them in the future but these are like discussions on how to treat the skin lesions of an Aids-patient. The problem lies deeper. Regardless of their specifics, bubbles are always a failure of capital to live up to its promise. The money that fed those bubbles was invested as a claim on future profit. When it becomes clear that this profit will not

materialize, the bubble implodes. When this happens in one sector, the blame can be assigned to the mismanagement, delusions and malfeasance that occurred in that sector. In the housing market crisis in the US, there was certainly plenty of blame to go around; likewise in the credit market crisis that followed. And in the car-industry too. But by now, entire economies are imploding bubbles. There are again specific reasons why this happens first here and not there but the chain of imploding bubbles is getting so long that specific reasons can no longer account for what is becoming a generalizing phenomenon. The underlying problem is no different in Greece than in the housing crisis: not enough profit is being generated to satisfy the claims of the capital invested in it.

The debt-crisis keeps escalating, despite all the talk about the nascent recovery. Of course the crisis does not follow a course of linear descent but the expectation that a deep recession must lead to a strong recovery just like winter leads to spring is just magical thinking. And it is magical thinking to talk about “the stalled economy” as if it were a car that could be started with the jumper cable of a stimulus package. I doubt if there are many economists who really believe in that image. Most of them realise that the anti-crisis measures can at best prevent the unraveling for some time, time that will be much needed to restructure the economy.

But how? Austerity measures are imposing themselves. Consumers, workers, companies, governments must spend less to make room for future payments to capital because otherwise, the value of existing capital collapses. But all these austerity measures, which will become sharper as time goes by, undercut demand. The overcapacity of the economy increases. Opportunities for productive investment diminish. The trend pushes owners of capital towards speculative investment, to the formation of new bubbles of fictitious wealth whose implosions will create new shocks. Governments are inevitably driven to contradictory policies. What they create with one hand, they destroy with the other. Their austerity measures undermine their recovery policies, and the latter, by creating new debt, new claims on future profit, undermine the former. What is the way out of this dilemma?

A new paradigm for growth?

There is none, as far as I can see; at least none that avoids a steep devalorisation of capital, with devastating consequences for the reproduction of society. The best we can hope for is that this traumatic experience will make it clear that the very foundation of the world economy, production for profit, has become obsolete. But if you're a politician or an economist working for a think tank or a government, you have of course to believe that ‘yes, we can’: That the shocks can be absorbed and that a new paradigm for growth can emerge from them. From this hope, three strategic priorities follow. Neither of them is new, but the present situation gives them a new urgency.

1. Raise profits by lowering wages. More specifically, combine as much as possible Fordist production (mass production based on assembly-line labour) with the lowest possible wages. That means intensifying globalisation. Use the oversupply on the global labour market, enlarged by the crisis, to push wages wherever possible under the value of labour power, that is, under the cost for the wage earner to reproduce his life. There is no limit to that except the resistance of the working class. The fact that paying wages under the value of labour power destroys labour power is not a limit when that labour power is abundant. As any overproduced commodity, labour power must devalorise. This cannot be resisted from within the logic of capital. Resisting thus becomes in practice refusing to be a commodity, rejecting the value-form.

2. Raise profits by cutting faux frais, by shedding as much as possible superfluous constant and variable capital. That means getting rid of unneeded factories, machinery and workers and lowering as much as possible the costs that the management of the superfluous population entails. Not an easy task of course. The help of the trade unions, who by their function as managers of labour power understand that what they deal in is a commodity that ultimately must bow to the logic of the market, will be indispensable.

3. Raise profits by artificially creating conditions of scarcity. Develop a global, parallel economy centered in the most advanced countries that is sheltered by its exclusive market positions from the

deflationary trend that inevitably engulfs most of the world. That entails shifting the center of gravity of the economy, of profit making, from the production of goods to the production of innovation, of new knowledge for the production of goods; a shift away from economies of scale (whose yield turns negative as overcapacity grows) to the goal of constant adaptation, constant recreation of scarcity.

The limits of those first two strategic goals are not objective; they depend on overcoming the will to survive of human beings, on defeating their capacity to imagine themselves as something other than commodities. But that is not the scope of this article. It is the development of the third goal and the limit it encounters that I want to look at in the rest of this text.



Where apples are made

“The Tao of Undersupply”

Let’s return to the question how to make a profit in a world awash in overproduction? Hugh MacLeod formulates the problem on his website gapingvoid.com this way:

“For every mid-level managing job opening up, there’s scores of people willing and able. For every company needing to hire an ad agency or design firm, there’s dozens out there, willing and able. For every person wanting to buy a new car, there are tons of car makers and dealers out there. I could go on and on. I could also go on about how many good people I know are caught in oversupplied markets, and how every day they wake up, feeling chilled to the bone with dread and unease. So maybe the thing

is to get into “The Tao of Undersupply”. If only 100 people want to buy your widgets, then just make 90 widgets. If only 1000, make 900. If only 10 million, make 9 million. It isn’t rocket science, but it takes discipline.”

It takes more than discipline though. And sometimes it takes rocket science too. The problem with Hugh’s strategy is that when there is a hole in the market, capital will fill it. Someone else will make those widgets, unless there’s a way to prevent him. There is.

There is the blunt weapon of protectionism, but the blowback more often than not defeats its purpose. Then there is the market control achieved through the concentration of capital. That is of course a constant tendency throughout capitalism’s history but it accelerates in periods just before convulsions of major proportion: around the turn of the 19th and 20th century, in the late 1920’s and in the past decade. The present crisis conditions further facilitate the concentration of capital. Stronger companies buy up embattled rivals at bargain prices and tie others to them in so-called ‘strategic alliances’ that establish control over the market through networks rather than through outright monopolies or explicit cartel-agreements. In many sectors the number of decisive players has been so far reduced that de facto monopolies (diamonds) or oligopolies (oil, bauxite, airplanes) have a tight grip on the global market. This tendency is perhaps most visible in the production of finite, raw materials, but is present throughout the economy, from software and banking to processed foods and retail. For those giant conglomerates there is no need for an explicit collusion on order to exercise their joint capacity to fix prices above the value of their products and to jointly reduce supply in support of that goal (such as when the major oil companies reduced their refining capacity in the past decade) ²

While the unprecedented degree of concentration of capital assures that the ‘traditional’ way of obtaining surplus profits through monopolistic or oligopolistic control over existing markets will remain important, there is another way to those surplus profits that is more striking, more typical of our times: the commodification of knowledge.

² See *Los Angeles Times* of March 11, 2010

A World of Patents

A company that introduces a new commodity (or a new method to produce commodities, which itself is a commodity) in the market, has by definition a monopoly over it and thereby the opportunity to set its price above its value, as high as the market can bear. In this respect, it doesn't matter if the newness is real or artificially created. Through massive propaganda, Nike succeeded to convince consumers that an "Air Jordan" is something different and better than other sneakers, for which it could charge a price unrelated to the value created by the workers in Indonesia who produced these shoes (whose wages, by the way, were but a fraction of the money it paid to Michael Jordan for appearing in commercials for the product). Of course, such marketing campaigns cost money too that has to be calculated into the price but at the same time they serve as thresholds that keep smaller companies, unable to spend so much on marketing, out of the market. As a result, marketing claims an ever larger share of the total costs of big companies.

When Apple recently introduced its iPad, the newness was more than a perception but the same mechanism applies. As the exclusive seller of this product, Apple is able to command a price far above what it costs to make the product in its factories in China.³ Nobody else can make an iPad. Its production is protected by patents. The search for artificial scarcity is both a cause and a result of the vertiginous growth of information technology, biotechnology and other knowledge based development and their widespread application in all branches of industry. As a result, the growth of patents, after following a slow but quite steady course since the late 19th century, exploded in the 1980's. Intellectual property rights became a keystone in the international trade agreements

concluded since and both American and European authorities repeatedly lengthened the duration of patents and copyrights.

There are patents on everything. In total there are more than 32 million of them, and almost two million new ones are filed every year, excluding the right to use, develop and sell technologies, programs, products, methods of research and production, procedures, even scents and colours, by anybody but the patent-owner and those licensed by him. Even a large part of our genes now fall under patents and cannot be studied without paying a license to their "owner".

Obviously, that is quite profitable to the latter. Patents last on average 20 years and can be renewed, while it takes a pharmaceutical company typically 1 to 3 years to recoup the R&D costs of new products.

The wild growth of patents is not limited to sectors where you might expect it, that are geared towards the development of new consumer goods such as pharmaceuticals. In the field of electrical machinery for instance, between 2002 and 2006, companies filed 92082 new patent-applications in the US, 264 686 in Japan, 49 477 in Germany, 24514 in China and 8757 in the UK.⁴

As the British economist Arnold Plant wrote: "It is a peculiarity of property rights in patents (and copyrights) that they do not arise out of the scarcity of the objects which become appropriated. They are not a consequence of scarcity. They are the deliberate creation of statute law, and, whereas in general the institution of private property makes for the preservation of scarce goods, tending . . . to lead us "to make the most of them," property rights in patents and copyrights make possible the creation of a scarcity of the products appropriated which could not otherwise be maintained."⁵

Microsoft declared in 2004 (quite shamelessly, since many of its own products such as Word and Excel

³ Just recently, the 2000 workers of 'United Win' in Suzhou, China, a contractor for Apple Computers, waged a strike to protest the cancellation of their annual bonus and the poisoning of workers as a result of the use of the chemical substance N-hexane, used to clean touch screens. See: <http://chinastudygroup.net/2010/5/sacom-apple-owes-workers-and-public-response-over-poisonings/>

⁴ All figure on patents come from the database of the World Intellectual Property Organisation <http://www.wipo.int/ipstats/en/statistics/patents/>

⁵ Arnold Plant, The economic theory concerning property for inventions, quoted in <http://blog.mises.org/11151/ip-and-artificial-scarcity/>

are derivative of unpatented inventions by others) that its goal was to file 3000 new patents a year, an increase with 50%. The company is right on target. Toyota obtained more than 2000 patents on its Prius alone. Its goal is to make it impossible for others to develop hybrids without paying a hefty price to Toyota. These examples explain why the pace of technological change is much less impressive than the steep increase of patents would suggest. Since they cover so many things, they effectively prevent the development of new products by unlicensed competitors. Many patents are not even applied to new products. Their owners simply wait until others develop something similar in order to extort a fee. This road to surplus profit takes armies of researchers and even more so, armies of lawyers to enforce the artificial scarcity which is constantly under threat, since knowledge is by its nature communicative and derivative of other knowledge. Only big powerful companies can afford them, so this is another threshold that keeps unwanted competitors out. More generally, it also requires real armies, the power of states to maintain a world order in which artificial scarcity is protected.

No way out

At the center of the trend towards an economy based on artificial scarcity, stands IT, which has driven capitalism's tendency to lower the value of commodities to its most extreme point. Since it costs next to nothing to reproduce digital goods, their social value, in Marxist terms, is also next to nothing. They are in effect abundant and can only be made profitable by sabotaging the law of value, by limiting competition to prevent the market to establish their prices freely. Other companies that base their profit-strategies on artificial scarcity express the same tendency. Their actually production costs are usually very low but their

profits are not. But what is the source of these profits? Since it requires ever less labour time to reproduce their commodities (the cost of R&D may be high but has no bearing on the cost of reproduction), the part of it that is unpaid, surplus value, must fall too and thus cannot explain the rise of their profits. The profit is surplus value but it comes from elsewhere: it is paid by the customers.

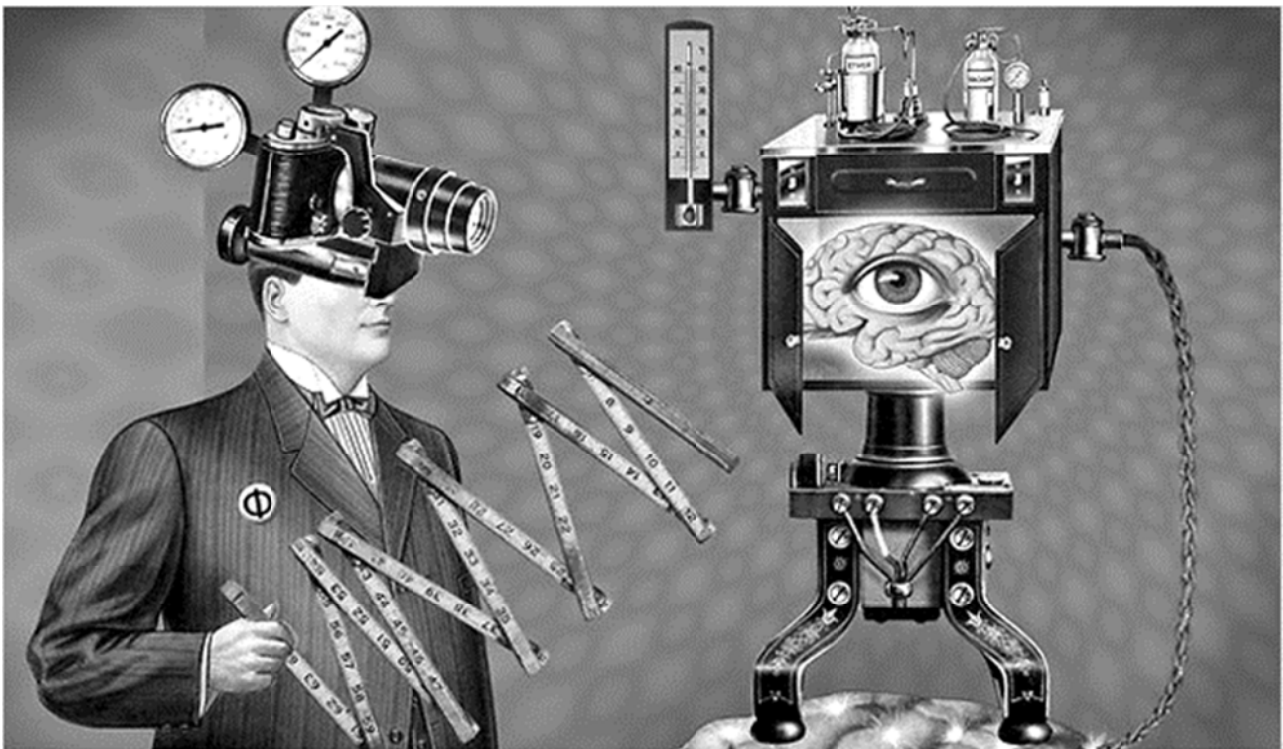
That's why it is a fallacy to think that a global advanced economy based on artificial scarcity could function on a parallel level, sheltered from the general crisis. It sucks value from elsewhere and thus effectively taxes the rest of the economy. The more it takes in, the heavier the tax. It is therefore dependent on the capacity of the rest of the economy to pay that tax, and thus on its ability to create new value. That doesn't look good.

So despite the desires of capitals based on artificial scarcity to extricate themselves from the mess (highlighted by Germany's reaction to the debt-crisis in Greece), there's no way out. At the contrary, by siphoning of capital to production with relatively little value creation, it aggravates the general problem.

However it is to be expected that capitals geared towards artificial scarcity will continue to reap higher than average profits, even when the average rate of profit continues to decline. Thus production of these commodities will attract more than its share of capital. That makes it a prime candidate for the formation of new bubbles (as they have been before), heralding new shocks for a system desperately clinging to scarcity.

Sander

The Value Form, Reification, and the Consciousness of the Collective Worker



Marx's critical theory exposed a mode of production, a civilization, based on value, which he described as a "deranged" or "perverted form" [verrückte Form], in which social relations between persons are inverted and appear as relations between things. It is the abstract labor of the working class that produces and reproduces this deranged form. As Max Horkheimer, in 1937, put it in "Traditional and Critical Theory:" "... human beings re-produce [erneuern], through their own labor, a reality which

increasingly enslaves them."¹ It was Georg Lukács, in his essay "Reification and the Consciousness of the Proletariat," in the collection *History and Class Consciousness* (1923), who had first elaborated a theory of reification through which the effects of the value form, that perverted form, and the commodity fetishism that was integral to it, seized hold of

¹ Max Horkheimer, "Traditionelle und kritische Theorie" in Max Horkheimer, *Gesammelte Schriften, Band 4*, (Fischer Taschenbuch Verlag, 1988), p. 186.

society. Lukács' accomplishment, even before many of Marx's own vast "economic" manuscripts had been published, was a theoretical breakthrough upon which Marxism as a negative critique of capitalism is still based. As Lukács persuasively argued:

"Just as the capitalist system continuously produces and reproduces itself economically on higher and higher levels, the structure of reification progressively sinks more deeply, more fatefully and more definitively into the consciousness of man."²

However, Lukács' concept of reification also entailed the claim that the proletariat, as identical subject-object, could escape the enslavement of reification to which Horkheimer would later point. For Lukács, while the consciousness of the bourgeoisie is "imprisoned" within the reified forms imposed by capital, capable only of grasping the immediacy of its social situation, the worker can become "aware of himself as a commodity," in which case "the fetishistic forms of the commodity system begin to dissolve: in the commodity the worker recognizes himself and his own relations with capital."³ In short, for Lukács, despite the reification to which the worker is subject, the possibility of escape for the working class is inherent in the capitalist labor process itself. Indeed, Lukács asserts that the proletariat is compelled to "surpass the immediacy of his condition."⁴ But what, then, really permits the proletariat to escape that reified consciousness? Lukács' answer, a theoretically and sociologically unsatisfactory answer in my view, is:

For the proletariat to become aware of the dialectical nature of its existence is a matter of life and death, whereas the bourgeoisie uses the abstract categories of reflection ... to conceal the dialectical structure of the historical process in daily life⁵

But can the "need" to be aware of the dialectical nature of its existence really explain how the

proletariat can escape the effects of reification? Indeed, Lukács' "explanation" seems more a leap of faith, almost a Pascalian bet, rather than a theoretically rigorous account of the potential that exists within the capitalist labor process, and is instantiated in the "collective worker," the *Gesamtarbeiter*.



Georg Lukács

Nearly a century after Lukács wrote his essay, the question of both whether and how the collective worker can escape that enslavement to which Horkheimer pointed, can overcome the reifying tendencies of capitalism, can break through the chains of the commodity fetish, and -- through its praxis -- abolish the value form, urgently demands an answer, and has once more become the pre-eminent theoretical and practical question confronting Marxism.

It seems to me that the basis for an answer to that burning question may lie in Marx's economic manuscripts that were for the most part unpublished in Lukács' time, e.g. *the Grundrisse*, the 1861-63 draft of *Capital* (which included the "Theories of Surplus-Value"), "Results of the Immediate Process of Production," and the first chapter and appendixes and supplements to the first (1867) German edition of *Capital*, in which the double nature of the commodity (abstract value and use value), and of the labor that produces it (abstract labor and concrete labor), are explicated. It is there that the bases of

² Georg Lukács, *History and Class Consciousness: Studies in Marxist Dialectics* (Cambridge, Massachusetts: The MIT Press, 1971), p. 93.

³ *Ibid.* p. 168.

⁴ *Ibid.* p. 166.

⁵ *Ibid.* pp. 164-165.

what Lukács would later term reification [Verdinglichung] are analyzed, where the effects of reification on the consciousness of the “collective worker,” its impact on the subjectivity of the worker, is revealed through the explication of the commodity fetish, which is integral to the social relations of capitalism. All these issues have been theoretically elaborated by value form theorists, such as Hans-Georg Backhaus, Helmut Reichelt, Werner Bonefeld, Moishe Postone, and Anselm Jappe.

Jappe has posed the issue in a way that directly challenges Lukács’ own assertions, when, in discussing the prospects for the working class extricating itself from its subjectification by capital, he tells us that:

To have freedom of decision, subjects must be outside the commodity form But in a fetishized society, there cannot be such an autonomous and conscious subject. Value is not limited to being a form of production; it is also a form of consciousness it is an a priori form in the Kantian sense. It is a schema of which the subjects are not conscious, because it appears as “natural” and not historically determined. Put another way, everything that the subjects [shaped by] value can think, imagine, want or do already shows up under the form of the commodity, money, state power, [legal] right.⁶

What does seem clear in Jappe’s analysis is that -- contra Lukács -- there is no subject, including the proletariat, which “in itself” is ontologically opposed to capitalism, to which it is subjugated just in an external way. But if Jappe poses a powerful challenge to Lukács’ claims about the impact of reified consciousness on the proletariat, has he also theoretically precluded the working class from ever developing the consciousness necessary to overthrow the capitalist social form; from destroying the fetishized social relations that the commodity form has imposed? Commodity fetishism is not just a mystification, a matter of “false consciousness,” a veil that the worker, spontaneously or through the Party, can just tear off. Commodity fetishism is a

facet of social being in capitalist society, a determinant of social reality itself, of the actual capitalist social relations. The fetish does not just distort or cover up the value form; rather it is integral to the processes of real abstraction that occur in social being itself, in the actual capitalist production process by which concrete work is transformed into abstract labor. The fetishism of commodities, then, consists in “seeing” the socially constructed properties of commodities as naturally belonging to things, and as their a-historical properties or features. Inasmuch as commodity fetishism entails the worker “seeing” the Verdinglich [thing-like] social relations as “objective,” indeed “natural,” not social and historically specific, what basis can there be for the development of the consciousness necessary to abolish the value form? And is such a conclusion the logical outcome of a value form analysis of capital?

Within value form theory, there seems to be a clear division when the effects of the fetishized social relations of capitalism, and its reifying tendencies, on the working class are analyzed. Jappe and Postone articulate a vision in which wage-labor, a wage-working class, and its class struggle, is “...a driving element of the historical development of capitalist society,” but its struggles are “capital-constituting, rather than capital-transcending, forms of action.”⁷ Indeed, for both Jappe and Postone, capital itself is an “automatic subject,” and wage-labor, the working class, both constitutes it and is trapped within it. For them, class struggle can produce changes and modifications within the capitalist social relations, affecting its specific economic and political forms, but cannot overturn them.

Such a vision seems to echo a danger that can arise from Adorno’s analysis of the trajectory of capitalism: a totalizing vision of a world from which there appears to be no exit. Such a vision reaches mythic dimensions in the work of Günther Anders for whom the technology brought to perfection within the framework of capitalism risks making humankind, including the working class,

⁶ Anselm Jappe, *Les Aventures de la marchandise: Pour une nouvelle critique de la valeur* (Denoël, 2003), p. 170.

⁷ Moishe Postone, *Time, Labor, and Social Domination: A Reinterpretation of Marx’s Critical Theory* (Cambridge University Press, 1993), pp. 319 and 371.

superfluous, obsolescent.⁸ In his two-volume *Die Antiquiertheit des Menschen* [The Obsolescence of Man] not only have humankind's own creations, technologies, and social relations, assumed a life of their own, and become *Verdinglich*, escaping human control, but they now threaten the very annihilation of the human species itself, in the form of ecological and/or nuclear destruction. With respect to the capitalist labor process, Anders argues that the worker is not just robbed of the fruits of his labor, and excluded from any control over the production process, but the collective worker now lacks any sense of what it is doing, or making, because the production process has become both fragmented, in time and space, and so subordinated to the imperatives of machines and technology – themselves in the service of abstract value -- that the labor process has become completely opaque to the workers, occurring, so to speak, behind their backs.



Indeed, for Anders, today, the worker does not “use”

⁸ Unlike Adorno, Anders was not a Marxist, but his analysis of the impact of the industry and technology linked to capitalism on the human subject cannot be overlooked by Marxist theory.

the machine, but is used by the machine, subordinated to its requirements and subject to it. The result, for Anders, is that the collective worker of modern capitalism is transformed into a “mass-man” [Massenmensch], incapable of autonomous action. While Anders’ negative philosophy of history leaves no room for escape from catastrophe, his analysis of the actual labor process, and the relationship of worker to machine and technology cannot simply be ignored because it is too pessimistic. But neither can it be refuted simply by recourse to a positive philosophy of history in which the working class inevitably breaks the shackles, physical and mental, of capitalism. To “refute” Andersian pessimism, a concrete analysis of the actual possibilities ensconced within the collective worker and the modern capitalist labor process is needed.⁹

But for Jappe, the way out of such a totalization, if that is to be, lies not in the struggles of the collective worker, but in two other factors. First, that never before in human history has the perpetuation of fetishized social forms “threatened the very existence of the human species.”¹⁰ That claim bears an uncanny resemblance to Lukács’ claim that awareness of the stakes of capitalism’s continued existence has become a “matter of life and death.” Second, that commodity society “is the first society to have recognized the existence of fetishized forms as such,” to have such a consciousness, which is a pre-requisite to overcome fetishism, “pour sortir du fétichisme.”¹¹ This last claim leaves undecided just who, which social class, possesses that consciousness. Indeed, both these arguments fail to locate the consciousness needed to abolish the value form in the actual praxis of a subject, for example, in the life-world of the *Gesamtarbeiter* and its struggles. As such, these claims themselves lack the historical and social concretization that would be necessary to make them compelling in the face of the impact of the reified social forms generated by the reign of capital.

This is also the case with Postone’s analysis, despite the power of his critique of “traditional Marxism.”

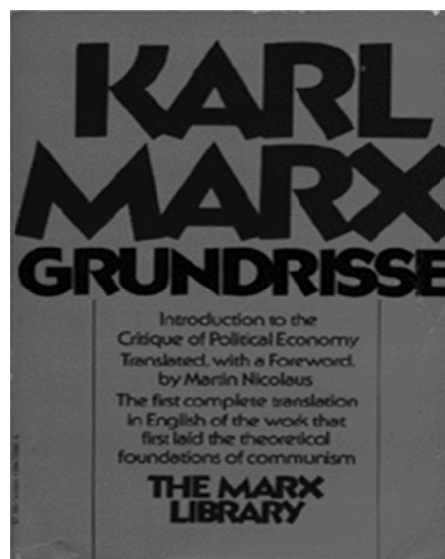
⁹ Within the framework of the present text, that is an urgent task to which I can only point.

¹⁰ Jappe, *Les Aventures de la marchandise*, p. 234.

¹¹ *Ibid.*

For Postone, "...the proletariat is not, in Marx's analysis, the social representative of a possible noncapitalist future."¹² This is because Postone sees the proletariat only "as the source of value, but not of material wealth."¹³ Thus, the abolition of the value form entails the abolition of proletarian labor, though the determinate negation of capitalism, for Postone, is represented by "no existing social form."¹⁴ For Postone, then, "... far from constituting the socialized productive forces that come into contradiction with capitalist social relations and thereby point to the possibility of a postcapitalist future, the working class, for Marx, is the essential constituting element of those [capitalist] social relations themselves."¹⁵ The working class does, indeed, produce and reproduce those self-same social relations, but does it only produce them, or does the *Gesamtarbeiter* also create, "produce," the possibility of overturning those social relations? Indeed, according to Postone, that possibility "depends ... upon the underlying contradiction of capitalist society."¹⁶ And for Postone, that underlying contradiction lies in the disconnect between the creation of abstract value and the production of real or material wealth, the former being the "basic foundation of the capitalist mode of production...."¹⁷ Postone refers to that seminal point in Marx's *Grundrisse* where he shows that:

Real wealth manifests itself...in the monstrous disproportion between the labour time applied, and its product, as well as the qualitative imbalance between labour, reduced to a pure abstraction, and the power of the production process it superintends. As soon as labour in the direct form has ceased to be the great well-spring of wealth, labour time ceases and must cease to be its measure, and hence exchange value [must cease to be the measure] of use value.¹⁸



Marx has shown that while for a whole historical epoch the value form was a condition for the enormous development of real wealth, despite the alienated forms in which it manifested itself, and the horrors to which primitive accumulation and the capitalist production process itself led, the very trajectory of capital would inevitably result in a contradiction between the valorization process and the expansion of real wealth. We now live in an epoch in which that contradiction becomes ever sharper with each passing day, in which the continued existence of the value form condemns humankind both to the massive destruction of real wealth and to ever more rigid limits to its further creation. The value form has long passed from being a condition for the creation of real wealth to becoming an insurmountable obstacle to it.¹⁹ The actualization of Marx's "must," a political must, however, requires human action, and a human subject that can instantiate the historical possibility to which Marx points, and it is precisely here that Postone fails to link the historical possibility and necessity for the abolition of the value form, to such a subject. But can the negation of capitalism be actualized without a determinate social form? Doesn't the underlying contradiction of capitalism

¹² Postone, *Time, Labor and Social Domination*, p. 355.

¹³ *Ibid.*, p. 357.

¹⁴ *Ibid.* p. 358.

¹⁵ *Ibid.* p. 357.

¹⁶ *Ibid.*

¹⁷ *Ibid.* p. 25.

¹⁸ Karl Marx, *Grundrisse*, (Penguin Books, 1973), p. 705.

¹⁹ For an analysis of the modes in which the crisis of value now manifests itself, see Sander, "A Crisis of Value" in *Internationalist Perspective*, No. 51/52, fall 2009.

have to have an expression in an actual social force? And isn't that social force, the productive power of the class – the collective worker – that produces, not just value, but material or real wealth?

Backhaus, Reichelt, and Bonefeld, by contrast, do focus on what seems missing in Jappe and Postone: human action and labor – to cite Bonefeld – “as a constituting power,” in which “labour exists against itself in the form of the perverted world of capitalism.”²⁰ These thinkers, then, explicate those aspects of the “life” of the collective worker that point to its capacity to explode the fetishized social forms within which it lives. That human action, including that of the collective worker, produces and reproduces the fetishized social forms of capital seems clear. As Bonefeld shows in several places, capital is not self-valorizing; as valorizing value, it is produced by the labor of the collective worker. But isn't human action, the praxis of the collective worker, also productive in another sense, doesn't it also possess creative possibilities that can smash the capitalist social relations and transfigure the *Gesamtarbeiter*? It is those possibilities, those aspects of labor, and the collective worker who instantiates them, that hold out the prospect of exploding the commodity form and the reified world that it has created. That form and that world, produced by abstract labor, can only be shattered – if shattered they are to be -- on the bases of properties ensconced within social labor [*gesellschaftliche Arbeit*] itself. The double nature of the commodity, value and use value, corresponds to a two-fold character of labor: a use value is the objectification [*Vergegenständlichung*] of concrete labor, while value is the objectification of abstract labor. As Marx shows in the first German edition of *Capital* (Volume I) this does not mean that “... there are two different types of labor lurking in the commodity, but rather the same labour is specified in differing and even contradictory manner -- in accordance with whether it is related to the use-value of the commodity as labour's product or related to the commodity-value as its merely objective

expression.”²¹

To the question of how labor produces and reproduces the capital relation, the value form, in which it is enmeshed, there is another burning question for Marxist theory, the question linked to class consciousness: how can the historically specific productive power of labor in capitalism concretely shatter the reified modes within which capital has imprisoned it. This is not a metaphysical question about a purported human essence, or a question of a philosophical anthropology; nor is it an ontological question, unless one re-functions ontology in the mode of a historical ontology. For Reichelt: “The human essence, the unity of the individual with its species being, exists only in inverted form, which has to be eliminated through revolutionary praxis.”²² The human essence and species being to which Reichelt here points is not an a-historical given or fixed human nature, but rather a project to be actualized by the praxis of the collective worker; it is prospective. And that praxis, instantiated in social labor, is no more transhistorical in nature than is the labor that produces value. Given the historicity of capitalism and the value form, then, what powers slumber within the social labor that produces both the abstract value and the use value contained within the commodity form that have the potential to explode it? We have to look at those elements of human praxis, the praxis of the collective worker, that capitalism requires both for its valorization and for the production of “real wealth,” elements that are indispensable to the accumulation process, but which also contain the prospect of destroying it.

In 1970, Hans-Jürgen Krahel raised a question which

²¹ *Value: Studies by Marx* (New Park Publishers, 1976), p. 16. Helmut Reichelt claims that Marx's formulation of this same point in the second edition of *Capital* aimed at making the text more accessible, though it also had the effect of *substantializing* abstract labor, making it a “thing,” rather than a *social* phenomenon. See Reichelt, “Marx's Critique of Economic Categories: Reflections on the Problem of validity in the Dialectical Method of Presentation in *Capital*” in *Historical Materialism*, Volume 15, Issue 4, 2007.

²² Helmut Reichelt, “Social Reality as Appearance: Some Notes on Marx's Conception of Reality” in *Human Dignity: Social Autonomy and the Critique of Capitalism* (Ashgate, 2005), p. 38.

²⁰ Werner Bonefeld, “Capital as Subject and the Existence of Labour” in *Open Marxism, Volume III, Emancipating Marx*, Edited by Werner Bonefeld, Richard Gunn, John Holloway, and Kosmas Psychopedis (Pluto Press, 1995), p. 184, my emphasis.

Marxism, and value form theory in particular, still needs to theoretically answer: Can "...the dialectic of work, namely social labor not only be a misfortune of its utilization by capital, but also a capital negating [kapitalnegatorische] productive force for emancipation"?²³ For Bonefeld, "the fundamental contra-diction of capital is its dependence on labour."²⁴ But while capital is dependent on labor, for Bonefeld the relation of social labor to capital is far more complicated: " 'Capital' can not autonomise itself from living labour; the only autonomisation possible is on labour's side. Labour exists in and against capital, while capital, however, exists only in and through labour. The social practice of labour exists against capital and also as a moment of the latter's existence."²⁵ Bonefeld's claim that the social practice of labor exists against capital is a seminal insight, but only a first step in responding to Krahls challenge, which then requires a level of concretization that is far more detailed, and to which my own text can do little more than point. In *Capital*, Marx has provided us with key elements for such a response:

Labour is, first of all, a process between man and nature, a process by which man, through his own actions, mediates, regulates and controls the metabolism between himself and nature. He confronts the materials of nature as a force of nature. He sets in motion the natural forces which belong to his own body, his arms, legs, head and hands, in order to appropriate the materials of nature in a form adapted to his own needs. Through this movement he acts upon external nature and changes it, and in this way he simultaneously changes his own nature.²⁶

²³ Hans-Jürgen Krahls, *Konstitution und Klassenkampf: Zur historischen Dialektik von bürgerlicher Emanzipation und proletarischer Revolution* (Verlag Neue Kritik, 1971), p. 387.

²⁴ Bonefeld, "Capital as Subject and the Existence of Labour," p. 204.

²⁵ Werner Bonefeld, "Human Practice and Perversion: Beyond Autonomy and Structure" in *Revolutionary Writing: Common Sense Essays in Post-Political Politics* (Autonomedia, 2003), p. 78.

²⁶ Karl Marx, *Capital: A Critique of Political Economy, Volume I* (Penguin Books, 1976), p. 283, my emphasis.

It is precisely Marx's claim that social labor as a mode of praxis does not simply have a goal external to itself, but is both action meaningful in itself and a mode of self-creation, the production of one own subjectivity, that must have stimulated Krahls own line of thinking. Marx's own powerful claim that labor does not just produce value but is a "living, form-giving fire"²⁷ is another point of departure, albeit a critically important one. We need to investigate the specific modes that this "form-giving fire" assumes, under the conditions of the real domination of capital, modes which contain the prospect of threatening the form of value itself, and which cannot simply be subjugated to the needs of capital alone. The very creative faculties and processes, for example – not reducible to instrumental rationality – that unleash the productive powers of labor, are necessary not just in the competitive struggles of capital entities, but also potentially escape reduction to the imperatives of capital. Those creative faculties, including the imagination, of the collective worker, are essential to the innovation that capital entities require in their struggle against rivals; innovation through which surplus profits accrue by virtue of their ability to produce their commodities below the socially average necessary labor time required in a given branch of production. That same capacity to imagine new forms and modes of human action constitutes a potential danger for a capitalist world that is also increasingly driven by a need for devalorization, and the expulsion of masses of workers from the processes of value creation, as a means to assure the continuation of the accumulation process.

But the creativity and imagination, that can potentially explode the value form, does not lie in the forms of creativity and imagination through which capital has historically transformed the world. It does not lie in modes of creativity and imagination bound to the forms of science and technology that have been integral to the very development of the value form over the past several centuries, forms linked exclusively to quantification, to instrumental reason; to what Ernst Bloch termed *Kalkül-Natur*, nature as an object of calculation. What is needed is to explore the possibilities of linking Marx's "living, form-giving fire" in the praxis of social labor to a

²⁷ Marx, *Grundrisse*, p. 361.

project aimed at what Bloch designated as an “alliance technology” [Allianztechnik], one based on a very different conception of science, a “science of tendencies” [Tendenzwissenschaft] which can expand the metabolism between humankind and nature, in contrast to the science yoked to capital. That science, integrally linked to the value form, threatens that metabolism and portends ecological catastrophes on an unparalleled scale.

What is at stake here is no ideology of neo-Luddism, no updated version of machine wrecking, or longing for a pre-capitalist world. The stakes are far more profound than that. It is not the machines or techniques that are in question as we contemplate the threat to the eco-system upon which human life depends. It is rather the way in which nature, reality, “shows up” for human beings. Capitalism and its science and technology are predicated upon the exclusive quantification and instrumentalization of the whole of reality in the service of production and its expansion as an end in itself. The real abstraction of value and of labor, the secrets of which Marx began to penetrate, have their bases in the very same modes in which reality shows up for modern, i.e. capitalist, science and technology. Bloch forged that link between capitalist production as the endless accumulation of abstract value and the science and technology which underpins it:

Production is founded upon an abstractly compartmentalizing, labor-dividing rationality; this artificiality is just as detached from the living wholeness of the human being as it is from the “natural” context of the task in question. Machines have been built according to such an alienated form of understanding, and pushed so far into the state of artificiality – and even partly beyond the category of objects – that they have begun to populate a new realm of the spirits. The subject is teetering on the brink of absolute nihilism; and if this mechanization with or without purpose, this universal depletion of meaning, should come to fulfillment, then the future void may prove equal to all the death anxieties of late antiquity and all the

medieval anxieties about hell.²⁸

Against this, however, Bloch posits a “principle of hope” today concretized in both the present incarnation of social labor, that of the collective worker, and the possibility of an alliance technology, and a new relationship of humankind to nature. Such a relationship has as its presupposition that nature, matter, is no longer conceived as a dead, inert, object, upon which humans simply work their will; what Bloch terms Klotzmaterie, a block or lump. Instead Bloch posits a “co-productivity” of humankind and nature, in which the potentialities contained within nature and matter can be unlocked through a dialectical relationship between matter as inherently processual and human praxis; where the standpoint of a new science is not to control, to “explain,” nature, but to relate to nature hermeneutically (through what Bloch terms an “objective-real hermeneutic”) whose task is to interpret, to understand, and not to master, it. Indeed, a relation of humankind to nature based on quantification and mathematization, and the mode of rationality that propels it, results in a crisis, an ecological crisis, as surely as social relations based on the exploitation of living labor results in socio-economic crises. And, it is the same rationality that treats nature as an object that also attempts to objectify the collective worker and transform him/her into a “thing.”

If, on the basis of a value form analysis we acknowledge that there is no Marxist political economy, no Marxist economics, it is because Marx’s project was a critique of political economy, a critique of economics, and its claims to be a “science.” As Hans-Georg Backhaus has argued:

The blindness of “modern” economists in relation to the basic intention of Marx’s critique is founded on that same scientific, instrumentalist understanding of science according to which quality is to be reduced to quantity, and which regards “truth” and “reality” as “metaphysical” concepts that

²⁸ Ernst Bloch, “The Anxiety of the Engineer” in Ernst Bloch, *Literary Essays* (Stanford University Press, 1998), pp. 306-308.

have to be expelled from science.”²⁹

But it is not just the social sciences, like economics, that suffer from what Backhaus terms this “scientistic prejudice;”³⁰ it is the whole of the natural sciences too. And that is where Bloch’s claim for a different science and technology in the face of the devastation – social and natural -- wrought by capitalism assumes its importance. The possibilities of such a technology and science need to be sought in the actual life-world of the collective worker if the project of a human *Gemeinwesen* or community is to be realized. One facet of that is the re-cognition that beneath the apparent objectivity of economic relations upon which political economy, and its economic categories, is based lay relations between human beings, albeit in alienated forms. To explode the value form, then, entails seeing through or past the estranged modes within which the immediate reality of social relations appear, to see that they are human-created, perverted [verrückte], forms of relations between humans -- modes of self-alienation. I have indicated that the totalization towards which capital moves, a completely reified world, in which, as Günther Anders has said, humankind becomes “obsolete,” may have a limit in capital’s own need for the creativity and imagination of the collective worker, to which I would add the impact on the worker of the social and natural catastrophes which capitalism’s own insoluble contradictions produce. These are issues that need to be pursued, as does the role of revolutionary memory ensconced within the collective worker; the heritage of past class struggles and revolutionary upheavals, the traces of which have not been lost and might be reactivated.

The human being has a paradoxical existence: he/she shows up at one and the same time as determined and determining. Social and economic relations, and cultural objectifications, materialize through determinate forms, the outcome of specific, albeit contingent, historical trajectories. In capitalist civilization, it is through the value form that the decisive social relations and cultural objectifications

materialize. The mode of subjectification of the human being in capitalism, then, is determined by the value form. Indeed, the historical trajectory of capitalism has entailed the penetration of all domains of human existence by the value form. The task of communist revolution, then, has its point of departure in a counter-movement on the part of a determinate social or class bearer [Träger], the collective worker, Marx’s *Gesamtarbeiter*, to the reification instantiated by the value form and its totalizing logic – a counter-movement that is grounded in the experiential reality, the actual life processes of that collective worker. Such a counter-movement must have a basis in the contemporary labor process itself, and its investigation is an urgent theoretical task today. One primordial task of Marxist theory, then, is to locate just where that spark of revolution is to be found in the experiential life of the collective worker today, where Marx’s “form-giving fire” can burst into a revolutionary flame. If, as I claim, the modal category of possibility [Möglichkeit] has priority over actuality [Wirklichkeit], then where in the life processes of the collective worker are we to find the possibility of exploding the value form, of overturning the reified world of capitalism and creating what Marx termed a human community [Gemeinwesen], of making the leap from “is” [Sein] to “ought” [Sollen]? One task, then, is to locate that “ought” – communism -- and the conditions for its appearance within the possibilities immanent to the prevailing “is”, capitalism; to locate the possibility of the negation of capitalism, the abolition of proletarian labor, in the actual contradictions of that order and in a determinate subject of revolution. That is the issue with which Georg Lukács and Ernst Bloch first grappled at the dawn of what Lukács designated as the “age of absolute sinfulness” provoked by the outbreak of World War One, and with which we still grapple today at the beginning of the second decade of the twenty-first century.

Mac Intosh

²⁹ Hans-Georg Backhaus, “Some Aspects of Marx’s Concept of Critique in the Context of his Economic-Philosophical Theory” in *Human Dignity: Social Autonomy and the Critique of Capitalism*, p. 15.

³⁰ *Ibid.*



Insurgent Notes: A New Pro-Revolutionary Publication

The following review considers the positions taken by the new web journal Insurgent Notes. While there is much with which we agree in this new publication, we must disagree with some of the theoretical conclusions of the project. As such, we have chosen to focus our analysis on two articles: The editorial “Presenting Insurgent Notes” and the article by Loren Goldner “The Historical Moment that Produced us.”

Readers of Internationalist Perspective are advised to read the full issue at their web site, <http://insurgentnotes.com> and to respond to both IN and to this review. We also hope Insurgent Notes will reply to our comments.

In a world where what is called ‘communism’ is often in reality merely state-capitalism, the appearance of a journal that defines its goal as the abolition of value production is a positive thing. Insurgent Notes, which debuted in the summer of 2010, is a new web-based publication which comes from a similar perspective to that of Internationalist Perspective, and like us, Insurgent Notes defines communism as the abolition of wage labour and value production. As a result, the appearance of Insurgent Notes should be welcomed; however, while we agree with Insurgent Notes in many areas, we find it necessary to address and criticize several of the points it collectively endorses.

In the lead article of the first issue, “Presenting Insurgent Notes,” Insurgent Notes indicates that while, for now, it exists only as an electronic publication; this is not its ultimate goal. Through the establishment of study groups and the development of networks, it seeks to become a political organization which will develop theory and intervene practically, participating in mass struggles and even regrouping with other pro-revolutionary groups and individuals. We of IP welcome this perspective. The participants of Insurgent Notes share our basic world view and understand that revolution means the destruction of the value-form. The initiative to start a review and to build a network to publicize and discuss their ideas can bring a real

enrichment to the pro-revolutionary debate and praxis. The alternative is to become just one more sect, sitting on its positions like a hen on its eggs, but Insurgent Notes states very clearly that this is the opposite of what it wants.

We agree. IP has long argued for the need for a renaissance of Marxism, and of the urgency to discuss and debate openly within the pro-revolutionary milieu. In 2009, in response to the ongoing economic crisis, we issued an open letter to the pro-revolutionary milieu for increased debate, discussion and even cooperation rather than simply defending our own little sandboxes; but if this is the aim, how then to achieve the result?

Insurgent Notes argue that they launched their project because “we have found no place for ourselves in any existing grouping.” This is of course their right, but since there are many already existing groups which have the same stated goals as Insurgent Notes, the question arises: why begin something new instead of joining forces with an existing attempt to do the same? There may well be good reasons (and we will outline some of our differences with IN, in the present review), but the editorial doesn’t provide specific answers to this question. IN does make reference to Marx and Engels, who didn’t waste their time on sectarian debates in the ebb following the defeats of 1848, but IN adds that we’re not in a period of ebb today, which seems to contradict the thrust of that argument. (It should also be noted that Marx was not altogether shy of polemic.)

It is possible that the decision for a separate organization is a political one. In the opening passages of its editorial declaration, Insurgent Notes offers a ten point “minimal program of agreement.” Much of the program is uncontroversial especially the insistence on the commitment to the abolition of wage labour. Many of the positions advocated are shared by IP, but we also think that the points have a vagueness about them with which we cannot agree. For example, while IN rejects the “socialist” states as a “model for the kind of society we wish to build”, they don’t explicitly refer to these states as capitalist ones. Likewise, while IN rightly rejects the existing Social-Democratic and Communist parties as well as the still-existing Trotskyist and Maoist parties, the former are described as capitalist organizations, but

the latter are not. And in an eyebrow raiser, Trotskyism is even described as “the serious continuity” of the Bolshevik tradition unlike Maoism¹. They reject ‘anti-imperialism’ and ‘capturing the unions’ but neither practice is referred to as pro-capitalist strategies.

IN might well consider these comments the kind of sectarian hairsplitting they wish to avoid, feeling instead that some degree of looseness is unavoidable in order not to turn-off people who may not be clear on the class nature of these political manifestations but are nevertheless clear on the goal we are all working for. However, some in IN might analyze them differently. That is the case for at least one participant, S. Artesian, who ardently defended the ‘Cuban revolution’ in a debate on the internet-list ‘Meltdown III’ earlier this year. For us, however, vagueness is not a virtue.

However, this vagueness in positions is countered by an emphasis on the necessity of program; not program in the Bordigist sense of a rigid schema imposed on a pliant reality, but of a practical plan, which has to be articulated in advance by a vanguard of the working class for the revolution to succeed. Insurgent Notes criticizes Lenin and rejects any Leninist paradigm, but key elements are the same. This point is clear in the editorial’s reference to the Argentine piqueteros. Implicit in the article is the idea that that revolution would have been possible in Argentina in 2001, if only the piqueteros had had a program, if only somebody would have suggested to them what were the next steps to take.

In a key sentence, IN says that “...no force was prepared to take the crucial next step and reorganize production on a working-class basis.” No doubt, we can agree that the force that ought to have taken that next step was the working class, but the implication in the article and with the emphasis on a program is that it suggests that if the piqueteros had had a program they would have been successful. This is merely wishful thinking.

IN seeks to go beyond theorizing and develop practical strategies too. In Goldner’s article, he

¹ Loren Goldner, “The Historical Moment that Produced US.” Footnote 1.
http://insurgentnotes.com/2010/06/historical_moment

maintains, “without a ‘programmatically-armed’ militant stratum...without a concrete idea of ‘another social project’ (to use a certain language) the movement melts away.” The article ends with “a program for the ‘first hundred days’ of a successful proletarian revolution in key countries, and hopefully throughout the world in short order.” This attempt to think and speak more concretely about revolution deserves applause. It encourages us to think in practical terms about the revolutionary process, to help make its possibility more visible. Abstract goals are not enough.

However, the problem implicit in this perspective, and in the list itself, is that it implies a capitalist world more or less intact that is taken over -politically defeated- by the working class, after which the sensible measures Goldner suggests can be applied. As if, over the course of struggling against and defeating capitalism, commodity-production and distribution would not be attacked and destroyed and reconstructed, so that, after the victory, we would need a vanguard to tell us that we need things such as “free health and dental care” (point 12) or “a global shortening of the work week” (point 16).

While disagreeing on other matters, we agree with the so-called “Communisateurs” that the schematic view of revolution as a conquest of political power, followed by the social and economic transformation of society, must be rejected. If and when the class struggle becomes revolutionary, it becomes a process of practical de-commodification, of the destruction of capitalism, and of construction outside the value-form.

Goldner is careful to add that his belief in a program-advocating vanguard “is not to deny the often important and creative role of ‘spontaneity’ in the early, ascendant phase when the movement seems to go from strength to strength.” He’s right to put spontaneity between quotation marks because what really is meant is the praxis of mass struggles not directed by parties or unions, which involves spontaneous acts but also thinking, discussion, preparation, new ways of collective decision making. Goldner limits its role to the ascendant phases of struggles which is correct because the very fact that a struggle becomes descendant itself results from the fact that the so-called spontaneity, this

collective energy, begins to ebb. The question is whether a vanguard advocating the right steps can at that point change the tide. While nothing can be ruled out, the historical evidence is not persuasive.

What causes this energy to wane? In Goldner’s view, it is the lack of a program. We think that the absence of revolution in Argentina was not solely due to lack of ideas about what practical steps to take. There will be no revolution as long as the working class has its head wrapped in nationalism and more generally in a value-form defined outlook on the world. We should not confuse a (temporary) weakening of the ruling class with strength on our side. There was as yet no revolutionary situation in Argentina, and no program-armed vanguard could have changed this.

In the 1950s, Socialisme ou Barbarie leader Cornelius Castoriadis sought Anton Pannekoek’s opinion about what a revolutionary group could do in the event of an impending Stalinist coup. Castoriadis was of the opinion that it would be advisable for a revolutionary group to launch its own coup for the good of the revolution; Pannekoek argued that without the involvement of the working class, the Stalinists might just as well have taken power. The result would be the same.



Argentine piquetero

In our view, the role of pro-revolutionary groups and publications like IN or the broad working class vanguard that Goldner hopes will emerge, should not be so focused on giving advice on what to do. What they have specifically to offer are the results of their theoretical work, their insight into the stakes of conflicts which arise independently from what they do or don't. That doesn't mean that they should refrain from advocating practical proposals on what to do. Pro-revolutionaries, both as individuals and as organizations will participate enthusiastically in future mass struggles, in the spontaneous acts as well as the thinking, discussion, and preparation of new ways of collective decision-making. Of course we will defend steps to take and denounce others. That's not the point. The point is to understand that it will take a lot more to get to a revolutionary situation than broad dissatisfaction with the existing state of things, and one national bourgeoisie in disarray. It will take longer, harder and broader struggles that lead to a much greater disorganization of capitalism and a great deal more visibility of the possibility of abolishing its fundamental structures: value, abstract labour, wages, the commodity form, money. We hope to be of use in those struggles. In the meantime, we should avoid wishful thinking, imagining that revolutionary situations are just around the corner, fetishizing "the program" as the missing secret ingredient for success.

There is one final point that we wish to discuss, the evolution of capitalism. In his overview of capitalism's evolution leading to what is at stake today and the 100 day-program, Goldner pays very little attention to the changes within the capitalist mode of production itself, especially over the past half century, to the production and circulation of value, and how this affects both the way in which capitalism rules and subjectifies the working class, and the maturation of the potential for revolution. He briefly mentions the transition from formal to real domination, which he claims began in 1870 and ended in 1940.

Here we mean the process through which the formal domination of capital over the immediate process of production and the circulation of commodities has been transformed into the real domination of capital over every facet of production and circulation, but has also extended to every pore of social and cultural

life, especially that of the collective worker. This has been realized through technology, whose development is driven by the hunt for surplus profit. It is a war of conquest by the value-form, not only over the labour process, but over all social processes which capitalism before controlled only formally, from the outside. Surely this conquest began before 1870, a starting point which would exclude the whole so-called industrial revolution. And surely, it did not end in 1940, when information-technology was still to come.



The Fordist assembly line

In regard to the changes in the mode of production since the 1970's, Goldner attributes them to a single cause: the need for capitalism to weaken the position of the working class after the wave of class struggle of the 60's and early 70's. We agree that this was an important factor (see for example our articles on post-Fordism²), but it certainly wasn't the only one. In fact, these changes occurred in the first place because the transition to real domination continues and because the thirst for profit impelled capitalism towards them. A conjunction of factors created post-Fordism, and reducing them to the goal of weakening the working class only, means ignoring changes in the production and circulation of value that would have occurred anyway.

² Internationalist Perspective 49, "Value Creation and the Crisis Today."

These changes must be understood in order to realistically assess the contradictions and perspectives of capitalism, in order to grasp both how the exploited class is subjectified and where the potential arises to break the stranglehold of capital and the value-form.

In this sense, Goldner's framework seems implicitly Luxemburgist: Capitalism grows on the destruction of pre-capitalist societies, then turns inwards and self-cannibalizes, which he sees, in orthodox 'historical materialist' fashion, perfectly mirrored in culture. He writes:

"Just as capitalism, through primitive accumulation, had always lived in part off the looting and destruction of pre-capitalist social formations, so had bourgeois culture in its ascendant centuries lived off pre-capitalist cultural strata (e.g. its mimetic relationship to the European aristocracy). As capital turned inward on itself, the self-cannibalization of its social reproductive base since the late 1970s was echoed with eerie concision in the self-cannibalization of its once-emancipatory culture"

When this culture was emancipatory, and how – since it reflected first looting and then self-cannibalization -- is not explained. Again, such a view is too narrow. There is more taking place in the ascendancy of capitalism than primitive accumulation. Nor can the history of the last 30 years be reduced to self-cannibalization. And nor is culture a mere reflection of these trends. It's true that the ruling ideas are the ideas of the ruling class but, as many others have remarked, it doesn't mean they are the only ones.

We have chosen to focus on points of disagreement in these notes, but we hope that any harshness in our tone will not be misconstrued. We have tried to focus on what we see are critical points for pro-revolutionaries, and we note that we have more similarities than differences with IN; there is also much in these texts that we can unreservedly agree with and that is very well formulated. We wish them well, and we wish to see future debates between us.

Fischer

Missing an issue? Don't worry...

Back issues of Internationalist Perspective are available.

For readers with incomplete collections of *IP*, back issues can be obtained by writing to our U.S. address.

Discounts are available with multiple issues.

Internationalist Perspective will be participating in a Conference on the Economic Crisis in New York on November 6, 2010.



The Economic Crisis & Left Responses

A conference convened by Marxist-Humanist Initiative

Confirmed Speakers:
 Brendan Cooney
 Walter Daum
 Barry Finger
 David Harvey
 Mac Intosh
 Anne Jaclard
 Andrew Kliman
 Paul Mattick
 Fred Moseley
 Richard Wolff

Chances of a double-dip recession in the U.S. are increasing. The threat of government debt defaults in Europe also indicates that the economic crisis of 2007-08 continues to have consequences. The U.S. government's efforts to prevent another Great Depression have left it saddled with a serious debt problem that could impede efforts to stabilize the economy for a long time to come. The future is especially uncertain, and "the new normal" may prove to be very difficult, economically and politically.

For the Left to be prepared for what may happen and prepared to respond effectively, activity and organization will not be enough.

We also need the organization of thought—and that is why we have convened this conference. In order to work out a viable response, one that doesn't merely react to and support the least-bad proposals offered by policymakers and mainstream thinkers, we need a clear and deep understanding of what has gone wrong with capitalism, and of the limits and pitfalls of proposed reforms. And we cannot take for granted that more progressive policies would in fact bring capitalism out of the crisis and restore jobs, economic growth, and stability. Wide-ranging dialogue on these topics is needed, not only so that all views can be heard but, above all, so that we can test different ideas in debate and work out answers to the questions we face.

SPONSORS

Pace University's Center for Community Action & Research and Economics Department (Pace-Pleasantville campus), Committee for a Conference on the Economic Crisis, Marxist-Humanist Initiative, League for the Revolutionary Party, Internationalist Perspective, and The New SPACE.

PRE-REGISTRATION

Pre-registration is required due to limited seating. To register, please visit: <http://marxist-humanist-initiative.org/register-now>

The registration fee is \$20; \$10 for students and low income individuals. The conference is free for Pace University students, faculty, and staff with valid ID. Registrants must check in by 9:15 a.m. The conference will start promptly at 9:30 am in the Multipurpose Room at 1 Pace Plaza. Enter on Spruce Street (the south side of the main building).

Conference Website: <http://econcrisisconference.wordpress.com> Marxist-Humanist Initiative (888) 579-2245
<http://www.marxist-humanist-initiative.org> mhi@marxisthumanistinitiative.org

Internationalist Perspective

Internationalist Perspective is a publication defending Marxism as a living theory, one that can go back to its sources, criticize them, and develop hand in hand with the historical social trajectory. As such, if *Internationalist Perspective* bases itself on the theoretical accomplishments of the Communist Left, *IP* believes that its principal task is to go beyond the weaknesses and the insufficiencies of the Communist Left through an effort of incessant theoretical development. *IP* does not believe that that is its task alone, but rather that it can only be accomplished through debate and discussion with all revolutionaries. That vision conditions the clarity of its contribution to the struggle and to the development of the class consciousness of the proletariat. *IP* does not aim to bring to the class a finished political program, but rather to participate in the general process of clarification that unfolds within the working class.

Capitalism is a transient product of history, not its end. It came into being in response to conditions that no longer exist: inevitable scarcity, labor power being the only source of social wealth. Capitalism turned labor power into a commodity to appropriate the difference between its value and the value it creates. For centuries, this hunt for surplus value allowed for a relative harmony between the development of society and capitalist accumulation. Then it gave birth to a new production process, the real domination of capital, in which no longer labor power but the machine stands at the center of production. Science and technology, set in motion and regulated by the collective worker, became the primary source of the creation of social wealth. The giant productivity this unleashed, allowed capitalism to grow both inwards and outwards. It spread over the entire planet and absorbed all spheres of society – including the trade unions and mass parties that arose from the struggle of the working class.

Scarcity was now no longer inevitable, but instead of freeing humanity from want, it condemned capitalism to overproduction. Wealth-creation was no longer dependent on the exploitation of labor power but this plunged capitalism, imprisoned by the law of value, into a crisis of profit. These obstacles to accumulation force capitalism to increase the exploitation of labor and to create room for new expansion through self-destruction, through massive devalorization in depression and war. Capitalism entered its decadent phase when such cannibalistic destruction became part of its accumulation cycle. It is decadent, not because it doesn't grow – it has developed tremendously and profoundly modified the composition of social classes and the conditions in which they struggle in the process - - but because this growth, in its rapacious hunt for profit, became itself destructive. It is decadent, because it is forced to hurl billions into unemployment and poverty because it cannot squeeze profit from them; by the very productivity that could meet all needs. It is decadent, because its need for devalorization impels it to war and unceasing violence. Capitalism cannot be reformed; it cannot be humanized. Fighting within the system is illusory: capitalism must be destroyed.

Capitalism is also decadent because it has generated the conditions for its own replacement by a new society. Science and technology, yoked to the operation of the law of value, and its quantification of the whole of life, are not liberating in themselves. But the working class who sets it in motion, is by its very condition within capitalism impelled to free itself from the alienation that capitalism, as a social relation, subjects it to, and is, therefore, the bearer of the project of a society freed from the law of value, money, and the division of society into classes.

Such a project has never before existed in history. If the Russian revolution was a proletarian one, it did not result in the emergence of a communist society. The so-called “communism” of the former Eastern bloc, like that of China or Cuba, was nothing other than a manifestation of state capitalism. Indeed, the emergence on an historical scale of a new society can only be realized by the total negation of capitalism, and by the abolition of the laws that regulate the movement of capital. Such a new society entails a profound transformation in the relation of humans to themselves and to each other, of the individual to production, to consumption, and to nature; it entails a *human community* at the service of the expansion and satisfaction of all human needs.